

G R Evans
Executive Director
Federal Regulatory Matters

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JAN 27 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

NYNEX

January 26, 1993

EX PARTE

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

Re: Implementation of the Cable Television Consumer
Protection and Competition Act of 1992 --
Cable Home Wiring (MM Docket No. 92-260)

Dear Ms. Searcy:

Today, the attached letter regarding the item captioned above was delivered to Commissioners Quello, Duggan, Barrett, Marshall and their Assistants. The positions set forth in the letter are consistent with those previously expressed by NYNEX in pleadings in this proceeding filed with the Commission.

Questions regarding this matter should be directed to me at the number or address shown above.

Sincerely,

GR Evans

Attachment

cc: Commissioner Quello (transmittal letter only)
Commissioner Duggan (")
Commissioner Barrett (")
Commissioner Marshall (")
Mr. B. Harris (")
Ms. L. Oliver (")
Mr. M. Kuchera (")
Ms. K. Abernathy (")

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Re: Implementation of the Cable Television Consumer
Protection and Competition Act of 1992 --
Cable Home Wiring (MM Docket No. 92-260)

Dear Commissioner:

The NYNEX Telephone Companies (the "NTCs"), New York Telephone Company and New England Telephone and Telegraph Company, submit this letter to underscore the importance of the above-referenced Cable Home Wiring proceeding to the development of competition in the cable and video industries.

Customer choice is the cornerstone of a competitive market, and true competition for cable services cannot be achieved unless customers have the ability to choose freely among the services offered by competing providers. If cable home wiring were owned or controlled by the cable services provider that installed it, the only way a customer could change providers would be to incur the expense, inconvenience, and other disadvantages of rewiring the premises. Permitting the customer to own or control cable home wiring will help to ensure that customers can exercise free choice regarding the provision of cable and video services.

When it adopted inside wiring rules for the telephone companies in 1990, the Federal Communications Commission (the "Commission") expressly stated that no claim of ownership by a carrier could prevent a customer from removing, reconfiguring or rearranging inside wiring on the customer's side of the demarcation point. As discussed in detail in the NTCs' filings in this proceeding, customer control of cable home wiring should likewise be established by Commission rules.

The Commission should recognize the unique competitive issues raised by multiple unit premises. Customer control is critical to competition in such settings as high-rise apartments, where space limitations may make rewiring prohibitively expensive or impossible as a practical matter.

Commissioner
January 26, 1992
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In addition, the Commission should reject proposals to limit the control of customers in multiple unit premises to control by each customer of only that cable home wiring which is within the customer's apartment. The ability to compete effectively for a customer's business is substantially reduced if the cable services provider controls cable home wiring up to the point of entry into the customer's apartment. A competing provider would have to duplicate the wiring to that subscriber at a cost that would undoubtedly deter the subscriber from selecting the new cable services provider.

In multiple unit premises where multiple subscribers share the use of unpowered coaxial cable in common areas such as hallways, the cable that is used by more than one subscriber should be controlled by the building owner. Competition will be better served by allowing the building owner -- rather than an incumbent cable services provider -- to determine access to and use of the unpowered coaxial cable. In addition, the Commission should exercise its authority to require that all future installations shall be made in a manner that eliminates the common use of unpowered coaxial cable.

Finally, rules prescribed by the Commission should accommodate rapidly-developing technology permitting multiple providers to use cable simultaneously. The Commission should make it clear that -- even if the cable service provided by the installer has not been terminated -- the customer controls the cable home wiring and may simultaneously obtain additional services from other providers through simultaneous use of spare capacity of the wiring. A Commission rule providing for customer control only upon a customer's termination of service would not fully achieve the objective of full competition.

The NTCs recognize the obstacles faced by the Commission in addressing and resolving the important competitive issues raised by the Cable Home Wiring proceeding in a short time period. To assist the Commission in this effort, the NTCs have submitted filings containing proposals that are notable for their detail. The foregoing points serve only to highlight some of the principal competitive concerns. Please advise us if the NTCs can provide additional information or assistance in this matter.

Very truly yours,



cc: